STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CANNABIS REGULATORY AGENCY

In the Matter of

TeeBz, LLC		ENF No.: 22-00374			
License No.: AU-R-000344	1	CONSENT ORDER AND STIPULATION			

CONSENT ORDER

On June 2, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana retailer establishment license AU-R-000344 of TeeBz, LLC (Respondent) under the Michigan Regulation and Taxation of Marihuana Act (MRMTA), MCL 333.27951 et seq., and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.20.

The executive director reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the formal complaint. Therefore, the executive director finds that the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.20.

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of ten thousand and 00/100 dollars (\$10,000.00). This fine shall be paid within 60 days of the effective date of this order by check, money order, or online through Accela Citizen Access (ACA). Instructions on how to make online payments can be found under the Tips for Licensees bulletin section at www.michigan.gov/cra. Check or money orders shall be made payable to the State of Michigan with enforcement number "22-00374" and license number "AU-R-000344" clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and

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Regulatory Affairs, Cannabis Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

2. If Respondent fails to timely comply with the terms of this order, Respondent's

license shall be suspended until compliance is demonstrated.

3. Unless otherwise specified in this order, Respondent shall direct any

communications to the CRA that are required by the terms of this order to CRA-

LegalHearings@michigan.gov.

4. Respondent shall be responsible for all costs and expenses incurred in complying

with the terms and conditions of this consent order.

5. If Respondent violates any term or condition set forth in this order, Respondent will

be subject to fines and/or other sanctions under section 7(1)(c) of the MRTMA,

MCL 333.27957, and Mich Admin Code, R 420.808.

6. Upon timely compliance of the terms of this order by Respondent, the matters set

forth in the formal complaint shall be deemed resolved and closed subject to this

consent order.

Signed on: $_{-}^{6/9/23}$

This order shall be effective 30 days after the date signed by the CRA's executive

director or his designee, as set forth below.

CANNABIS REGULATORY AGENCY

Brian Hanna Digitálly signed by: Brian Hanna DN: CN = Brian Hanna email = hannab@michigan.gov C = US O = CRA OU = CRA Date: 2023,06,09 15:01:15 -04'00'

By:

Brian Hanna, Executive Director and/or his designee

Cannabis Regulatory Agency

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STIPULATION

The parties stipulate to the following:

1. The facts alleged in the formal complaint are true and constitute a violation of

the administrative rules promulgated under the MRTMA.

2. Respondent understands and intends that by signing this stipulation,

Respondent is waiving the right under the MRTMA, administrative rules

promulgated thereunder, and the Administrative Procedures Act of 1969,

MCL 24.201 et seq., to require the CRA to prove the violations set forth in the

formal complaint by presentation of evidence and legal authority, and to

present a defense to the violations.

3. The parties considered the following in reaching this agreement:

a. Respondent submitted the Annual Financial Statement for FY 2021 on

May 17, 2022.

b. Respondent was cooperative and wishes to resolve the allegations

without the need for and expense of an administrative hearing.

c. Respondent has been licensed as an adult use marijuana retailer since

2020 and has no prior discipline against its license.

4. The CRA's enforcement division director or her designee must approve this

proposed agreement before it is forwarded to the CRA's executive director or

his designee for review and issuance of the above consent order. The parties

reserve the right to proceed to an administrative hearing without prejudice to

either party, should the CRA's enforcement division director, executive

director, or their designees reject the proposed consent order.

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By signing this stipulation, the parties confirm that they have read, understand, and agree with the terms of the consent order.

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Desmond Mitchell Digitally signed by Desmond Mitchell Date: 2023.06.07 17:00:57 -04'00'

Desmond Mitchell, Operations Director and/or his designee
Cannabis Regulatory Agency

Dated: 6/7/23

AGREED TO BY:

Steven Barnstable, Authorized Officer on behalf of Respondent TeeBz, LLC

Dated:

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CANNABIS REGULATORY AGENCY

In the Matter of

TeeBz, LLC ENF No. 22-00374

License No.: AU-R-000344

FORMAL COMPLAINT

The Cannabis Regulatory Agency ("Complainant") files this formal complaint against TeeBz, LLC ("Respondent") alleging upon information and belief as follows:

- 1. The Cannabis Regulatory Agency (CRA) is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, and Executive Reorganization Order No. 2019-2, MCL 333.27001, to investigate alleged violations of the MRTMA and the administrative rules promulgated thereunder, take disciplinary action to prevent such violations, and impose fines and other sanctions against applicants and licensees that violate the MRTMA or administrative rules.
- 2. Respondent, under Mich Admin Code, R 420.20, is required to transmit to the CRA a financial statement of the licensee's total operations by 30 days after the due date provided by the CRA.
- 3. Respondent's annual financial statement for fiscal year 2021 was due on or before March 31, 2022.
- 4. Respondent filed its annual financial statement for FY 2021 on May 17, 2022,47 days after the above-referenced deadline.

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Executive Reorganization Order 2019-2 created the Marijuana Regulatory Agency (MRA) as a Type I agency within the Department of Licensing and Regulatory Affairs (LARA). MCL 333.27001(1)(a)(d). On April 13, 2022, the MRA became the Cannabis Regulatory Agency (CRA). The CRA exercises its statutory powers, duties, and functions independent of LARA's direction. MCL 16.103.

CRA 5027

Formal Complaint ENF No.: 22-00374 CRA 5052 5. Respondent's failure to timely file the required Annual Financial Statement is in

violation of Mich Admin Code, R 420.20.

THEREFORE, based on the above, the CRA gives notice of its intent to impose fines

and/or other sanctions against Respondent's license, which may include the suspension,

revocation, restriction, and/or refusal to renew Respondent's license.

A licensee aggrieved by an action of the CRA suspending, revoking, restricting, or

refusing to renew a license, or imposing a fine, shall be given a hearing upon request.

See Mich Admin Code, R 420.704(3) and R 420.808(2)(b). A request for a hearing must

be submitted to the CRA in writing within 21 days after service of this complaint. Mich

Admin Code, R 420.704(2) and R 420.808(3). Notice served by certified mail is

considered complete on the business day following the date of the mailing.

Respondent may also be given an opportunity to meet with the CRA to negotiate a

settlement or demonstrate compliance with the MRTMA and administrative rules prior to

a contested case hearing. Mich Admin Code, R 420.704(1) and R 420.808(2)(a). A

request for a compliance conference request must be submitted to the CRA in writing

within 21 days after service of this complaint. Mich Admin Code, R 420.808(3).

Hearing and compliance conference requests must be submitted in writing by one of

the following methods:

By Mail: Department of Licensing & Regulatory Affairs

Cannabis Regulatory Agency

P.O. Box 30205

Lansing, Michigan 48909

In Person: Department of Licensing & Regulatory Affairs

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Cannabis Regulatory Agency 2407 North Grand River Lansing, Michigan 48906

By Email: CRA-LegalHearings@michigan.gov

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter. Mich Admin Code, R 420.808(3).

Questions about this complaint should be directed to the Cannabis Regulatory Agency at (517) 284-8599 or CRA-LegalHearings@michigan.gov.

Dated: 6/2/22

CANNABIS REGULATORY AGENCY

Alyssa A. Grissom Digitally signed by Alyssa A. Grissom Date: 2022.06.02 11:42:08 -04'00'

Alyssa A. Grissom Legal Section Manager Enforcement Division Cannabis Regulatory Agency

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Formal Complaint ENF No.: 22-00374 CRA 5052